

STATE OF ILLINOIS
ILLINNOIS COMMERCE COMMISSION

COMMONWEALTH EDISON)	
COMPANY)	
)	Docket No. 05-0597
Proposed general increase in)	
rates for delivery service. (Tariffs)	
filed on August 31, 2005))	

**THE UNITED STATES DEPARTMENT OF ENERGY
BRIEF ON EXCEPTIONS ON REHEARING**

**Lawrence Gollomp/Lot H. Cooke
Attorneys
United States Department of Energy**

December 12, 2006

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Comes now the United States Department of Energy (DOE) on behalf of its two National Laboratories, Argonne National Laboratory and Fermi National Laboratory, by its counsel and hereby submits its Brief on Exceptions on Rehearing to the December 5, 2006, Proposed Order on Rehearing issued in the above-captioned proceeding

Stipulation

As was stated and explained in DOE's November 14, 2006, Brief on Rehearing, DOE, the Illinois Industrial Energy Consumers (IIEC), and Commonwealth Edison Company (ComEd) entered into a stipulation in this case regarding the record support for several issues of concern to the three parties. DOE continues to support the middle ground positions agreed to by DOE, ComEd, and IIEC, which in general were supported

by the Proposed Order on Rehearing, but DOE does ask for clarifying language on the rates for 10 MW customers served at high voltage.

Over 10 MW Customers Served at High Voltage

DOE agrees with the overall conclusion reached by the Hearing Examiners on the design of rates for customers that are served at high voltage. Specifically, DOE agrees that “the High Voltage Delivery Class should have two distribution facility charges based on the customer’s maximum kilowatt demand” -- one for customers over 10 MW and another for all other customers. (Proposed Order on Rehearing at page 45). However, DOE suggests that the Order should be clarified by stating explicitly how the increase for high voltage customers above 10 MW should be determined. In that regard, DOE recommends that the following sentence be added after the second sentence in the paragraph on page 45 under the heading, “Commission Analysis and Conclusion:”

“The Distribution Facilities Charge for customers over 10 MW in the High Voltage Class shall be determined by increasing the current net charge of \$1.04/kW-month by the overall percentage increase in the Company’s revenue requirement that results from this Order.”

In addition, DOE believes that the last sentence in that paragraph should be revised. Specifically, there is no basis for including the reference to a “subsidy” that may or may not be provided to the group of customers above 10 MW that are served at high voltages. The Commission concluded in its July 26, 2006, Order that it was “persuaded that the cost of serving such very large customers is potentially lower than serving significantly smaller customers.” (At page 196). There is no basis to challenge that

conclusion of the Commission upon which to conclude that any “subsidy” results from reducing the Distribution Facilities Charge for high voltage customers above 10 MW below the Distribution Facilities Charge for high voltage customers with loads less than 10 MW. Therefore, DOE recommends that the last sentence of the paragraph on page 45 following the heading, “Commission Analysis and Conclusion,” be changed to the following:

“ComEd is directed to re-design its rates to recover from all other non-residential classes any resulting revenue shortfall that will result from setting the increase in the Distribution Facilities Charge for customers in the High Voltage Delivery Class with loads above 10 MW at the overall percentage increase allowed in this Order.”

DOE respectfully requests that the Commission adopt the proposed language regarding the rates of over 10 MW customers served at high voltage.

Respectfully submitted,

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